

2011 Property Tax Report

Steuben County

with Comparisons to Prior Years



Legislative Services Agency

September 2011

This report describes property tax changes in Steuben County between 2010 and 2011, with comparison to changes since 2007. In 2011, the changes from the big tax reform of 2008 were fully phased in with the elimination of the last of the state homestead credits. The 2009 recession affected assessments and local tax credits in many counties. Changes in local levies and assessments also were important in many counties.

Comparable Homestead Property Tax Changes in Steuben County

The average homeowner saw a 5.9% tax bill increase from 2010 to 2011.

Homestead taxes in 2011 were still 31.9% lower than they were in 2007, before the property tax reforms.

91.2% of homeowners saw lower tax bills in 2011 than in 2007.

69.4% of homeowners saw tax increases of between 1% and 19% from 2010 to 2011.

The largest percentage of homeowners have seen between a 30% and 49% decrease in their tax bills from 2007 to 2011.

	<u>2010 to 2011</u>		<u>2007 to 2011</u>	
	Number of Homesteads	% Share of Total	Number of Homesteads	% Share of Total
Summary Change in Tax Bill				
Higher Tax Bill	7,685	72.5%	820	7.7%
No Change	601	5.7%	108	1.0%
Lower Tax Bill	2,309	21.8%	9,667	91.2%
Average Change in Tax Bill	5.9%		-31.9%	
Detailed Change in Tax Bill				
20% or More	333	3.1%	500	4.7%
10% to 19%	4,098	38.7%	126	1.2%
1% to 9%	3,254	30.7%	194	1.8%
0%	601	5.7%	108	1.0%
-1% to -9%	1,370	12.9%	431	4.1%
-10% to -19%	320	3.0%	962	9.1%
-20% to -29%	279	2.6%	1,589	15.0%
-30% to -39%	164	1.5%	2,304	21.7%
-40% to -49%	57	0.5%	2,096	19.8%
-50% to -59%	36	0.3%	1,197	11.3%
-60% to -69%	20	0.2%	559	5.3%
-70% to -79%	18	0.2%	213	2.0%
-80% to -89%	12	0.1%	99	0.9%
-90% to -99%	7	0.1%	76	0.7%
-100%	26	0.2%	141	1.3%
Total	10,595	100.0%	10,595	100.0%

Note: Percentages may not total due to rounding.

★★★★★
**LOSS OF STATE HOMESTEAD
 CREDIT AND HIGHER TAX
 RATES RAISED HOMEOWNER
 TAX BILLS**
 ★★★★★

Homestead Property Taxes

Homestead property taxes increased 5.9% on average in Steuben County in 2011. This was more than the state average of 4.4%. Steuben County homestead taxes were still 31.9% lower in 2011 than they were in 2007, before the big tax reform. The larger-than-average homestead tax increase in 2011 was partly due to the phaseout of the state homestead credit in 2011. The state homestead credit was 4.5% in Steuben County in 2010. In addition, Steuben County's tax rates rose in most tax districts. The local homestead credit also declined slightly in 2011, due to a drop in the local income tax revenues that fund it.

Tax Rates

Property tax rates increased in most Steuben County tax districts. The average tax rate increased by 2.9% because of an increase in the levy coupled with a decline in net assessed value. Levies in Steuben County increased by 0.7%. The biggest levy increases were in the county debt service and general funds and the Angola cumulative capital development and highway funds. The biggest levy reductions were in the Prairie Heights Community Schools debt service fund and the Fremont Community Schools capital projects fund. Steuben County's total net assessed value decreased 2.3% in 2011. Homestead assessments decreased by 3.2%, and agricultural net assessments increased by 0.6%. Other residential assessments showed a decrease of 0.8%, while business net assessments decreased by 4.9%.

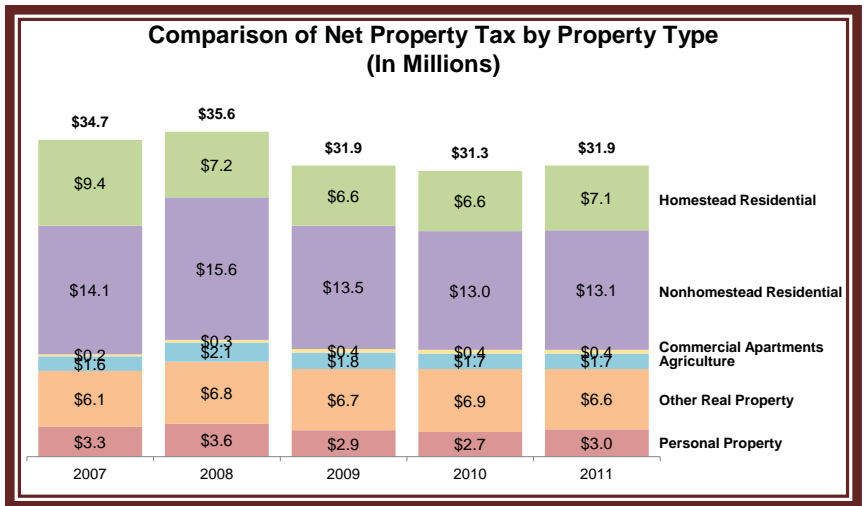
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*SMALL INCREASES IN BUSINESS, OTHER
RESIDENTIAL, AND AGRICULTURAL TAXES; A
DECREASE FOR APARTMENTS*

★★★★★★

Net Tax Bill Changes - All Property Types

Net tax bills for all taxpayers rose 2.3% in Steuben County in 2011, similar to the statewide increase of 2.8%. Other residential property, which includes smaller rentals and second homes, saw net tax bills increase by 0.9%. Tax bills for commercial apartments fell 1.8%. Business tax bills - which include commercial, industrial and utility buildings, land and equipment - rose by 1.1%. These small tax bill changes reflect the small tax rate and assessment changes in Steuben County in 2011. Agricultural tax bills rose 1.6%. This was partly due to the 3.2% increase in the base rate assessment of farm land, from \$1,250 to \$1,290 per acre for taxes in 2011.



Tax Cap Credits

Property taxes are capped at 1% of gross assessed value for homesteads, 2% for other residential property (including rental housing and second homes) and farmland, and 3% for business land, buildings, and equipment. Taxpayers receive credits when their tax bills exceed the caps. Credits are revenue lost to local governments.

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*TAX CAP CREDITS INCREASED IN
2011, BUT REMAINED VERY SMALL*

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Total tax cap credit losses in Steuben County were \$67,697, or 0.2% of the levy. This was much less than the state average loss rate of 9.2% and much less than the median value of 3.8% among all counties. Tax rates are the main determinant of tax cap credits, and Steuben County's tax rates were much lower than the state median.

More than half of the total tax cap credits were in the 2% nonhomestead/farmland category; most of the rest were in the 1% homestead category. Steuben County had no district tax rates above \$3 per \$100 assessed value, so no business property in the 3% tax cap category qualified for credits. The largest percentage losses were in the town of Ashley and the DeKalb County School Corporation (which covers part of Steuben County). The largest dollar losses were in the city of Angola and the Steuben County School Corporation.

Steuben County Tax Cap Credits	1%	2%	3%	Elderly	Total	% of Levy
2010 Tax Cap Credits	\$4,916	\$6,818	\$0	\$3,348	\$15,082	0.0%
2011 Tax Cap Credits	20,474	36,517	0	10,706	67,697	0.2%
Change	\$15,558	\$29,699	\$0	\$7,358	\$52,614	0.2%

Tax cap credits increased in Steuben County in 2011 by \$52,614, or 349%. The additional credits

represent an added 0.2% loss in the total tax levy. Most of the increase in tax cap credits was in the 2% tax cap category. The tax rate in one district with a rate above \$2 increased; another district rate topped \$2 in 2011. Property in the 2% category qualified for tax cap credits in these two districts. The elimination of the state homestead credit and the drop in local income tax revenue that funds local homestead credits added to the 1% tax cap credit increase.

The Effect of Recession

The 2009 recession had an effect on Steuben County assessments for pay-2011. Property values and construction activity appear to have fallen in Steuben County in 2009. Lower incomes in 2009 resulted in lower local income tax distributions in 2011, which slightly reduced the local homestead credit. Lower assessment helped increase tax rates, but Steuben County tax rates are so low that tax cap credits are nearly unaffected by rate and local credit changes.

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*2009 RECESSION REDUCED
ASSESSMENTS IN 2011*

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Property Type	Gross AV 2010	Gross AV 2011	Gross AV Change	Net AV 2010	Net AV 2011	Net AV Change
Homesteads	\$1,703,174,850	\$1,670,798,908	-1.9%	\$878,346,307	\$850,384,968	-3.2%
Other Residential	1,339,671,800	1,328,887,275	-0.8%	1,338,317,482	1,327,285,662	-0.8%
Ag Business/Land	194,195,300	195,402,250	0.6%	194,040,562	195,259,790	0.6%
Business Real/Personal	835,570,535	797,977,521	-4.5%	682,453,750	648,981,000	-4.9%
Total	\$4,072,612,485	\$3,993,065,954	-2.0%	\$3,093,158,101	\$3,021,911,420	-2.3%

Net AV equals Gross AV less deductions and exemptions • Tax rates are calculated on Net AV • Circuit breaker tax caps are calculated on Gross AV

Steuben County Levy Comparison by Taxing Unit

Taxing Unit	2007	2008	2009	2010	2011	%Change			
						2007 - 2008	2008 - 2009	2009 - 2010	2010 - 2011
<i>County Total</i>	48,966,074	52,637,845	33,190,656	32,689,385	32,902,416	7.5%	-36.9%	-1.5%	0.7%
State Unit	74,367	78,503	0	0	0	5.6%	-100.0%		
Steuben County	8,220,577	8,520,852	6,643,261	6,310,363	6,846,780	3.7%	-22.0%	-5.0%	8.5%
Clear Lake Township	34,511	39,698	34,740	36,132	36,550	15.0%	-12.5%	4.0%	1.2%
Fremont Township	21,123	28,245	29,663	30,546	30,837	33.7%	5.0%	3.0%	1.0%
Jackson Township	33,129	35,043	36,091	37,431	37,893	5.8%	3.0%	3.7%	1.2%
Jamestown Township	234,342	62,051	231,066	233,898	239,921	-73.5%	272.4%	1.2%	2.6%
Millgrove Township	40,606	42,146	43,847	45,037	45,582	3.8%	4.0%	2.7%	1.2%
Otsego Township	57,842	59,036	60,486	61,784	61,829	2.1%	2.5%	2.1%	0.1%
Pleasant Township	515,991	533,127	553,103	570,463	582,518	3.3%	3.7%	3.1%	2.1%
Richland Township	25,825	27,810	28,220	29,077	29,622	7.7%	1.5%	3.0%	1.9%
Salem Township	46,889	48,578	50,375	51,945	52,538	3.6%	3.7%	3.1%	1.1%
Scott Township	13,922	15,113	15,708	16,246	16,379	8.6%	3.9%	3.4%	0.8%
Steuben Township	60,809	62,351	61,999	63,048	63,433	2.5%	-0.6%	1.7%	0.6%
York Township	13,906	15,236	16,009	16,709	16,930	9.6%	5.1%	4.4%	1.3%
Angola Civil City	3,566,394	3,755,352	3,811,296	4,093,488	4,244,089	5.3%	1.5%	7.4%	3.7%
Ashley Civil Town	100,226	101,052	95,267	95,407	83,914	0.8%	-5.7%	0.1%	-12.0%
Clearlake Civil Town	255,161	269,412	292,939	298,729	299,056	5.6%	8.7%	2.0%	0.1%
Fremont Civil Town	695,809	694,852	715,904	733,975	737,494	-0.1%	3.0%	2.5%	0.5%
Hamilton Civil Town	665,766	677,325	702,965	666,215	644,558	1.7%	3.8%	-5.2%	-3.3%
Hudson Civil Town	97,053	103,536	108,919	110,115	112,378	6.7%	5.2%	1.1%	2.1%
Orland Civil Town	117,109	115,926	122,364	127,502	129,724	-1.0%	5.6%	4.2%	1.7%
Dekalb County Central United School Corp	138,125	140,029	77,408	80,555	82,562	1.4%	-44.7%	4.1%	2.5%
Prairie Heights Community School Corp	4,717,665	5,028,476	2,718,136	2,464,415	2,136,171	6.6%	-45.9%	-9.3%	-13.3%
Fremont Community School Corp	9,911,865	9,874,583	4,637,363	4,498,224	4,178,070	-0.4%	-53.0%	-3.0%	-7.1%
Hamilton Community School Corp	2,712,352	2,826,584	1,162,037	970,576	1,080,263	4.2%	-58.9%	-16.5%	11.3%
M.S.D. Steuben County School Corp	15,227,723	17,993,406	9,416,888	9,489,930	9,491,000	18.2%	-47.7%	0.8%	0.0%
Carnegie Public Library Of Steuben County	494,301	579,607	600,914	606,152	608,839	17.3%	3.7%	0.9%	0.4%
Fremont Public Library	583,251	607,377	617,630	635,297	643,633	4.1%	1.7%	2.9%	1.3%
Northeast Indiana Solid Waste Mgt Dist	281,972	294,386	298,404	316,126	344,866	4.4%	1.4%	5.9%	9.1%
Hudson Redevelopment Comm	7,463	8,153	7,654	0	24,987	9.2%	-6.1%	-100.0%	

Steuben County 2011 Tax Rates, Credit Rates, and Net Tax Rates for Homesteads by Taxing District

Dist #	Taxing District	Tax Rate	LOIT PTRC	Credit Rates					Net Tax Rate, Homesteads
				COIT Homestead	CEDIT Homestead	CEDIT Residential	LOIT Homestead	LOIT Residential	
76001	Clear Lake Township	0.7259	3.9042%	--	3.1169%	--	--	--	0.6749
76002	Clear Lake Town	0.7730	3.9042%	--	3.1169%	--	--	--	0.7187
76004	Fremont Town	1.3507	3.9042%	--	3.1169%	--	--	--	1.2559
76005	Jackson Township	0.8385	3.9042%	--	3.1169%	--	--	--	0.7796
76006	Jamestown Township	0.7165	3.9042%	--	3.1169%	--	--	--	0.6662
76007	Millgrove Township	0.8454	3.9042%	--	3.1169%	--	--	--	0.7860
76008	Orland Town	1.6287	3.9042%	--	3.1169%	--	--	--	1.5143
76009	Otsego Township	0.6845	3.9042%	--	3.1169%	--	--	--	0.6364
76010	Hamilton Town	1.0214	3.9042%	--	3.1169%	--	--	--	0.9497
76011	Pleasant Township	1.1759	3.9042%	--	3.1169%	--	--	--	1.0933
76012	Angola City	2.1182	3.9042%	--	3.1169%	--	--	--	1.9695
76013	Richland Township	0.7849	3.9042%	--	3.1169%	--	--	--	0.7298
76014	Salem Township	0.8547	3.9042%	--	3.1169%	--	--	--	0.7947
76015	Hudson Town-Salem Township	1.5980	3.9042%	--	3.1169%	--	--	--	1.4858
76016	Scott Township	1.0591	3.9042%	--	3.1169%	--	--	--	0.9847
76017	Steuben Township	1.0955	3.9042%	--	3.1169%	--	--	--	1.0186
76018	Ashley Town	2.4301	3.9042%	--	3.1169%	--	--	--	2.2595
76019	Hudson Town-Steuben Township	1.8151	3.9042%	--	3.1169%	--	--	--	1.6877
76021	York Township	1.1418	3.9042%	--	3.1169%	--	--	--	1.0616
76022	Fremont Township	0.7323	3.9042%	--	3.1169%	--	--	--	0.6809

Notes: A *Taxing District* is a geographic area of a county where taxing units overlap, so the sum of the taxing unit tax rates is the total district rate.

The *Tax Rate* is the gross levy divided by net assessed value, in dollars per \$100 assessed value.

The *LOIT*, *COIT*, and *CEDIT* credits are funded by local income taxes.

The *Net Tax Rate for Homesteads* is calculated by reducing the tax rate by the various credit percentages.

Steuben County 2011 Circuit Breaker Cap Credits

Taxing Unit Name	Circuit Breaker Credits by Property Type					Circuit Breaker as % of Levy	
	(1%) Homesteads	(2%) Other Residential and Farmland	(3%) All Other Real/Personal	Elderly	Total	Levy	
<i>Non-TIF Total</i>	20,474	36,515	0	10,706	67,695	32,902,416	0.2%
<i>TIF Total</i>	0	2	0	0	2	261,449	0.0%
<i>County Total</i>	20,474	36,517	0	10,706	67,697	33,163,865	0.2%
Steuben County	2,225	3,845	0	1,617	7,687	6,846,780	0.1%
Clear Lake Township	0	0	0	0	0	36,550	0.0%
Fremont Township	0	0	0	5	5	30,837	0.0%
Jackson Township	0	0	0	2	2	37,893	0.0%
Jamestown Township	0	0	0	8	8	239,921	0.0%
Millgrove Township	0	0	0	9	9	45,582	0.0%
Otsego Township	0	0	0	7	7	61,829	0.0%
Pleasant Township	162	221	0	110	493	582,518	0.1%
Richland Township	0	0	0	8	8	29,622	0.0%
Salem Township	0	0	0	21	21	52,538	0.0%
Scott Township	0	0	0	6	6	16,379	0.0%
Steuben Township	7	74	0	59	140	63,433	0.2%
York Township	0	0	0	5	5	16,930	0.0%
Angola Civil City	9,386	13,168	0	2,798	25,353	4,244,089	0.6%
Ashley Civil Town	276	4,021	0	21	4,319	83,914	5.1%
Clearlake Civil Town	0	0	0	0	0	299,056	0.0%
Fremont Civil Town	0	0	0	374	374	737,494	0.1%
Hamilton Civil Town	0	0	0	136	136	644,558	0.0%
Hudson Civil Town	52	0	0	22	74	112,378	0.1%
Orland Civil Town	0	0	0	350	350	129,724	0.3%
Dekalb County Central United School Corp	272	3,956	0	21	4,249	82,562	5.1%
Prairie Heights Community School Corp	0	0	0	588	588	2,136,171	0.0%
Fremont Community School Corp	0	0	0	291	291	4,178,070	0.0%
Hamilton Community School Corp	0	0	0	187	187	1,080,263	0.0%
M.S.D. Steuben County School Corp	7,427	10,276	0	3,722	21,424	9,491,000	0.2%
Carnegie Public Library Of Steuben County	544	759	0	209	1,512	608,839	0.2%
Fremont Public Library	0	0	0	45	45	643,633	0.0%
Northeast Indiana Solid Waste Mgt Dist	112	194	0	81	387	344,866	0.1%
Hudson Redevelopment Comm	12	0	0	5	16	24,987	0.1%
TIF - Fremont Corp TIF	0	0	0	0	0	197,824	0.0%
TIF - Hudson Salem TIF	0	0	0	0	0	48,089	0.0%
TIF - Hudson Steuben TIF	0	0	0	0	0	14,665	0.0%
TIF - Fremont Township TIF	0	0	0	0	0	22	0.0%
TIF - Angola Corp TIF	0	2	0	0	2	849	0.2%

Notes: Circuit breaker tax cap credits are tax savings for taxpayers and revenue losses for local government units. Circuit breaker credits are highest in tax districts with the highest tax rates. These are usually districts that include cities or towns because the municipal tax rate is included in the district tax rate. This means that most circuit breaker credits are in cities and towns and in units that overlap cities and towns.

Circuit Breaker Credit Types:

Homesteads are owner-occupied primary residences and include homestead land and buildings in the 1% tax cap category. Owner-occupied mobile homes and agricultural homesteads are included in this category. This category only includes credits on the portion of the property that qualifies as a homestead.

Other Residential/Farmland includes small rental housing units, larger commercial apartments, second homes, long-term care facilities, and farmland, in the 2% tax cap category.

All Other Real/Personal is commercial, industrial, and utility land and buildings, and business equipment, including agricultural equipment, in the 3% tax cap category. This category also includes credits on the portion of homeowner properties that do not qualify as a homestead.

Elderly includes credits for the 2% annual limit on homestead tax bill increases for low-income homeowners, age 65 and over.

The *Total Levy by Unit* is gross property taxes levied, before all tax credits. For TIF districts, this amount represents the TIF proceeds before circuit breaker credits. This information is included to allow comparison to the circuit breaker revenue losses.

Numbers may not total due to rounding.